

COMMENT SHEET
CVP COST ALLOCATION MEETING OF JULY 8, 2014

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Comments:

NCPA provides the following comments on the July 8, 2014 meeting:

1. We concur with using a 100 year prospective evaluation of benefits starting in the year 2017.
2. Reclamation proposed "three lines in the sand" regarding the start date for application of the new cost allocation percentages to capital costs: 1988, 1992, and 2017. I indicated at the meeting the CVPIA probably had the largest operational effect on the CVP, which meant that the start date could be 1992. In discussions with CVP operations personnel, however, the Coordinated Operations Agreement was more important in changing CVP water operations than the CVPIA. In addition, the PL99-546 stated a new cost allocation was to be completed by 1988. Thus, a stronger argument exists to apply the new cost allocation percentages to capital costs from 1988 forward rather than either 1992 or 2017.
3. NCPA believes the option shown in the spreadsheet for the transition of capital costs repayment from 1988 forward is logical.